

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



FISCAL NOTE

SB 1675 - HB 1757

March 17, 2009

SUMMARY OF BILL: Authorizes an existing nursing home to relocate all or less than all of its licensed beds to not more than two new locations if the original facility is subject to condemnation proceeding by a railroad, is licensed for more than 230 beds and is certified for Medicaid and Medicare participation, and the proposed relocation facility is within the original facility's service area. Requires one or more applications for relocation to be filed and approved by the Health Services and Development Agency.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures – Not Significant

Increase Federal Expenditures – Not Significant

Assumptions:

- Currently, a nursing home may relocate all or less than all of its licensed beds within its service area without a certificate of need. This bill is written to allow one particular nursing home to relocate to two different locations.
- Currently, nursing home reimbursement by TennCare is cost based. Any increase in cost to a facility will impact TennCare expenditures. Due to the provisions of the bill only impacting one facility, the Bureau of TennCare estimates that any increase in cost will not be significant and can be accommodated within existing resources without an increased appropriation or reduced reversion.
- TennCare expenditures are estimated to receive a 74.138 percent federal match rate.
- The Health Services and Development Agency will not incur a significant increase in expenditures to review the relocation application.
- The Department of Health's nursing home inspection services will not incur a fiscal impact based on the provisions of the bill.

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CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White". The signature is written in a cursive style with a large, stylized initial "J".

James W. White, Executive Director

/kml